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OCT 25 2004

PUBLIC SERVICE COMMISSION

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

HOWARD B. KEEN

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)
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)
)
)

VS.

CASE NO. 2004-00348

CARROLL COUNTY WATER DISTRICT NO. #1)

DEFENDANT

VERIFIED RESPONSE

Comes now the Defendant Carroll County Water District #1 (hereinafter "CCWD#1"), and for its Answer to the Complaint filed herein by Plaintiff Howard B. Keen, states as follows:

1. The Defendant CCWD#1 admits that portion of numerical paragraph 3 that contains its address, and further states that it is a political subdivision of Carroll County, Kentucky, and is organized and operated as a 'water district' as that term is defined by KRS Chapter 74, and is subject to the jurisdiction of the Public Service Commission of Kentucky;

2. The Defendant CCWD #1 admits that it sent to the Complainant Howard B. Keen the letter dated March 31, 2004, a copy of which is attached to the Complaint filed herein;

3. The Defendant CCWD#1 is without sufficient information, knowledge and belief so as to admit or deny the allegations contained in numerical paragraphs 1, 2, and 4, and thus denies same;

4. The Defendant CCWD#1 denies the allegations contained in numerical paragraphs 6, 7, and 8, and any and all other allegations contained in the Petition filed herein are denied.

CRAWFORD & BAXTER, P.S.C.
ATTORNEYS-AT-LAW
CARROLLTON, KY

5. The Defendant CCWD#1 states by affirmative defense to the allegations contained in the Complaint the following:

a. In the summer and fall of 2002, and continuing into early 2003, the Defendant CCWD#1 initiated plans for the improvement of water lines within its District which included Fairview Road and Clay Lick Road in Owenton, Kentucky;

b. That the Complainant was present at a public hearing at which time the engineering plans prepared by Sieco-Strand Engineers were presented for review;

c. That the proposed plans by Sieco-Strand Engineers called for the construction and installation of a water line across and through the real estate and parallel to Clay Lick Road which the Complainant claims he owns;

d. That the Complainant failed and refused to grant unto Defendant CCWD#1 an easement for the construction and installation of the new water line through his property, and further failed to sign a Water User's Agreement and/or pay the required fees for meter connection;

e. That construction began on this water line project in February of 2003, and as a result of the Complainant's failure to grant an easement to the Defendant CCWD#1, the engineering plans for the construction and installation of a water line had to be redrawn and the line moved across the road from the Complainant's property to avoid his property at considerable cost and expense to the CCWD#1 and the change resulted in the damage to several driveways and a parking lot, and the terrain was wooded and rough which increased construction costs;

f. That the project was completed and the line placed in service on February 22, 2004;

g. That on or about February 26, 2004, after the water line project was completed, the Complainant sought water services at his site by executing a water line easement and a water

user's agreement, and tendering payment for only the water connection service fee;

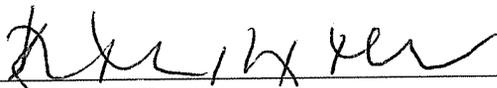
h. That the Defendant CCWD#1 advised the Complainant that pursuant to its Rules and Regulations #6 which are on file and have been approved by the Commission, the following provision was applicable:

In cases where a landowner has refused to give easement to cross his property and the District had to cross the road to avoid the property, the District may charge this property owner for the road bore back to his property in addition to a regular meter connection fee if and when a request is made for water service.

I. That the Defendant CCWD#1 stands ready to accept the Complainant as a customer once he has paid for the cost of the road bore to take the water line across his property.

CRAWFORD & BAXTER, P.S.C.
523 Highland Avenue
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(502) 732-6688
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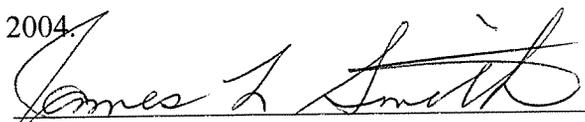
Attorneys for Defendant Carroll County
Water District No. 1

By: 
Ruth H. Baxter

VERIFICATION

I, James L. Smith, Manager of the Carroll County Water District No. 1, have read the foregoing Verified Response and the statements contained therein are true and correct to the best of my knowledge and belief. I am authorized to sign this Verified Response on behalf of the District.

This the 22nd day of October, 2004.


James L. Smith, Manager
Carroll County Water District No. 1

STATE OF KENTUCKY)

COUNTY OF CARROLL)

Subscribed and sworn to before me by James L. Smith, this the 22 day of October, 2004.

My commission expires: 12/04/06 
NOTARY PUBLIC, KY. STATE AT LARGE

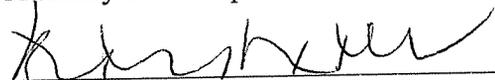
CERTIFICATE OF SERVICE

This is to certify that a true and correct copy of the foregoing Verified Response was served by mailing same, postage prepaid, this the 22nd day of October, 2004, to the following persons:

Public Service Commission of Kentucky
Environmental and Public Protection Cabinet,
211 Sower Boulevard, P.O. Box 615,
Frankfort, Kentucky 40602-0615

and

Hon. William K. Fulmer, II
Attorney at Law
7289 Burlington Pike
Florence, Kentucky 41042
Attorney for Complainant



Hon. Ruth H. Baxter, Attorney for the
Defendant Carroll County Water District
No. 1